

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

BMW of North America, LLC and)	Case No. CV09-01219-CJC (RNBx)
Bayerische Motoren Werke AG,)	
)	PROPOSED CONSENT
Plaintiffs,)	JUDGMENT
)	
v.)	
)	
Babak Nafe <i>dba</i> Eurowheelsusa)	
and J2 Wheels, Inc.,)	
)	
Defendants.)	
)	

This matter having been opened to the Court upon the Complaint of Plaintiffs BMW of North America, LLC and Bayerische Motoren Werke AG (collectively, “BMW”) against Defendants Babak Nafe (hereinafter “Nafe” or “Eurowheelsusa”) and J2 Wheels, Inc. alleging trademark infringement and counterfeiting under 15 U.S.C. § 1114(1) and trademark infringement under the common law of California; unfair competition and false designation of origin under 15 U.S.C. § 1125(a) and under the common law of California; and design patent infringement under 35 U.S.C. §271; relating to Babak Nafe’s advertising and sale of wheels;

Nafe, having allegedly advertised and sold wheels in violation of BMW's trademark and design patent rights;

1 Nafe, without admitting any liability, and expressly denying same, solely to avoid
2 the expense and distraction of protracted litigation, and wishing to settle his dispute with
3 BMW amicably;

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5 The parties having acknowledged the jurisdiction of this Court over them and the
6 subject matter hereof; and

7
8 With the consent of BMW and Nafe, and for good cause, IT IS DECLARED
9 AND HEREBY ADJUDGED that:

10 This Court has jurisdiction over the subject matter hereof;

11
12 BMW has extensively used and advertised its “Roundel” logo, M-Stripes logo
13 and “BMW” word mark in connection with its business of designing, manufacturing,
14 distributing, offering for sale and selling motor vehicles and wheels;

15
16 BMW is the exclusive owner of valid and subsisting federal trademark
17 registrations, including trademark registrations for its BMW Roundel logo, M-Stripes
18 logo, “BMW” mark, and X5, M3, M5, M6, Z3 and Z4 marks (*see* Exhibit A hereto), and
19 BMW’s Roundel logo and “BMW” word mark are famous; and

20
21 BMW AG is the owner of various valid and lawfully issued United States Design
22 Patents for designs of vehicle wheels, and BMW NA is the licensee of said patents in
23 the United States.

24
25 With the consent of BMW and Nafe, and for good cause, IT IS HEREBY
26 ORDERED, ADJUDGED AND DECREED that:

1 1. Nafe, his affiliates, agents, servants, employees, representatives,
2 successors, assigns, attorneys-in-fact, and all those persons in active concert or
3 participation with them who receive actual notice of this Consent Judgment by personal
4 service or otherwise, including but not limited to Ace Auto Electric & Maintenance,
5 LLC, be and hereby are permanently enjoined and restrained from:
6

7 A. Ordering, accepting orders for, accepting shipment or delivery of,
8 warehousing, manufacturing, importing, advertising or displaying (on the Internet
9 or otherwise), marketing, promoting, offering for sale, selling or otherwise
10 distributing or causing to be delivered, any wheels that are not from or authorized
11 in their present condition by BMW, but which depict or bear BMW's Roundel or
12 M-Stripes logo, or any colorable imitations thereof, including center caps bearing
13 any BMW logo, word mark or colorable imitation thereof;
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16 B. Depicting BMW's Roundel or M-Stripes logo, or any other BMW
17 logo, or making any trademark use of the "BMW" word mark, and X3, X5, M3,
18 M5, M6, Z3, and Z4 marks, or colorable imitations thereof, on or in connection
19 with advertising, offering for sale, displaying, selling, or otherwise distributing
20 wheels that are not from or authorized in their present condition by BMW,
21 including but not limited to (i) using the phrase "BMW wheels" or the like in
22 connection with the advertising or sales (over the Internet or otherwise) of wheels
23 that are not made or authorized for sale in their present condition by BMW and
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1 (ii) making any visible use of BMW's trademarks in Google Adwords or other
2 keyword advertising;

3 C. Making any trademark use of any other BMW trademark or
4 colorable imitation thereof;

5 D. Doing any other act or thing, directly or indirectly, that is 1) likely to
6 confuse, mislead, or deceive others into believing that Nafe is connected with,
7 affiliated with, sponsored by, licensed by, or approved by BMW, or that Nafe's
8 product or services are sponsored, licensed or approved by BMW; or that is 2)
9 likely to dilute BMW's Roundel logo or "BMW" mark;

10 E. Manufacturing, importing, ordering, accepting orders for, accepting
11 shipment or delivery of, warehousing, advertising, displaying, marketing,
12 promoting, offering for sale, selling, trading, disposing of for commercial gain, or
13 otherwise distributing or causing to be delivered (1) for any make of motor
14 vehicle, the wheel models identified in Exhibit B hereto or any other wheel
15 models that are substantial copies of BMW U.S. patented wheel designs, or (2)
16 for BMWs and MINIs, any and all other wheel models that are substantially
17 similar to such models or to other BMW U.S. patented wheel designs.

18 2. Nafe may make a "fair use" or "nominative use" textual reference, in the
19 identical font, format, size, and color as, and no more prominently than the surrounding
20 text, to "BMW" or to other BMW word marks solely and unambiguously to
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1 communicate truthfully that certain wheels “fit BMWs” or are “for BMWs,” or fit or are
2 for specific BMW models (such as the M3).

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4 3. Nafe shall, within ten (10) days of entry of this Consent Judgment, notify
5 in writing, with a copy to BMW, any and all third parties with which Nafe has placed
6 advertisements using BMW’s Roundel logo, M-Stripes logo or trademark use of the
7 “BMW” word mark, and X5, M3, M5, M6, Z3, and Z4, that such usage in
8 advertisements must be removed immediately.
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10 4. Nafe shall, within forty-five (45) days of entry of this Consent Judgment,
11 through a duly authorized officer or director, certify in a sworn written statement that he
12 has complied with and completed those actions ordered by paragraphs 1 and 3 herein.
13

14 5. This Court shall retain jurisdiction of this matter and over the parties
15 thereto for the purpose of enforcing the terms of this Consent Judgment. The parties
16 acknowledge that a breach of this Consent Judgment by Nafe would result in immediate
17 and irreparable injury to BMW, and that it would be difficult or impossible to establish
18 the full monetary value of such damage.
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20

21 6. Nafe shall immediately provide a copy of this Consent Judgment to any
22 and all of his related companies, subsidiaries, affiliates, owners, officers, directors,
23 partners, employees, agents, servants, representatives, and successors. Nafe’s rights
24 under this Consent Judgment are not assignable.
25

26 7. Within ten days of the entry of this Judgment, Nafe shall identify, in
27 writing and with specificity, each of his sources, by company name and address,
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1 telephone number, principal individual contact, shipper, broker or other purchasing
2 agent, port of entry (if known) and shipping location, for each of the wheels i) identified
3 in Exhibit B hereto and/or ii) bearing or sold in connection with BMW's Roundel or M-
4 Stripes logo, "BMW" word mark, and X3, X5, M3, M5, M6, Z3 and Z4 marks or
5 colorable imitations thereof. Nafe shall also provide representative transactional
6 business record documents sufficient to identify each of his different sources of such
7 wheels.
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10 8. In accordance with § 34 of the Federal Trademark Act, 15 U.S.C. § 1116,
11 the Clerk of the Court shall notify the Commissioner of Patents and Trademarks of the
12 entry of this Consent Judgment who shall enter it upon the records of the United States
13 Patent and Trademark Office.
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16 9. There being no just reason for delay, the Clerk of this Court is hereby
17 directed to enter this Consent Judgment forthwith.
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20 IT IS SO ORDERED:

21 Dated: January 29, 2010
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23 THE HON. CORMAC J. CARNEY
24 UNITED STATES DISTRICT JUDGE
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1 The parties, through their undersigned counsel, hereby consent to the entry of the
2 foregoing Consent Judgment and waive any and all rights of appeal.

3 Approved as to form: _____/s/_____
4 Whitney Sorrell (Bar No. #019313)

Dated: January 12, 2010

5 Sorrell Law Group, PLC
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11 *Counsel for Defendant Babak Nafe*

12 By: _____/s/Babak Nafe

Dated: January 12, 2010

13 Title: _____ Manager

14 Eurowheelsusa

15 By: _____/s/_____
16 Babak Nafe

Dated: January 12, 2010

1
2 Approved as to form: _____/s/

Dated: January 21, 2010

3 Dale J. Giali

4 **HOWREY LLP**

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Counsel for Plaintiffs

9
10 By: _____/s/Jochen Volkmer

Dated: January 20, 2010

11 Title: Head of Trademarks, BMW AG

Dated: January 20, 2010

12 BMW of North America, LLC

13 and Bayerische Motoren Werke AG